

## **PCA- Nursing Facility Bi-Annual Rebase**

**Purpose:** To update Medicaid rates using more current cost data.

### **Identification of Roles:**

1. Accounting Assistant – process rate sheets and letters and mail to providers.
2. Staff Accountants – verify that all data is available for bi-annual rate setting and processes rate setting parameter reports.
3. Senior Accountant – perform review of all rate setting parameter reports and perform initial review of all rate sheets. Prepares budget analysis.
4. Supervisor – performs final review of rates and budget analysis.
5. Manager – performs final review of rates and budget analysis.

### **Performance Standards:**

The contractor shall rebase nursing facility rates in July 2011 and every two years, thereafter.

### **Path of Business Procedure:**

- Step 1: Iowa Medicaid Cost and Rate System (IMCARS) identifies cost reports to be used in rebase based on status log events.
- Step 2: Calculate each facility's cost report period case mix index.
- Step 3: Prepare inflation table in IMCARS.
- Step 4: Perform cost normalization.
- Step 5: Calculate the patient-day-weighted average median for each peer group.
- Step 6: Determine rate ceilings.
- Step 7: Verify that case mix data has been imported. See procedure 4000.7
- Step 8: Verify the accuracy of the Metropolitan Statistical Area (MSA) designations for each facility based on actual location and exceptions to policy.
- Step 9: Calculate the geographical wage index factor.
- Step 10: Calculate the new base rate for each provider.
- Step 11: Review rates for accuracy.
- Step 12: Prepare budget analysis.
- Step 13: Perform final review of rates and budget analysis.
- Step 14: Send budget analysis to the Department of Human Services (DHS) via electronic mail.
- Step 15: Process rate sheets and letters.
- Step 16: Send rates to providers via mail.
- Step 17: Prepare System Action Memo (SAM) to have rates and effective dates in the MMIS

Step 18: Submit limit updates to CORE to update the Medicaid Management information System (MMIS) parameter file as necessary.

Step 19: Prepare cumulative rate listing and send to DHS via electronic mail.

Step 20: Prepare Final Rate Summary for public use file and send to DHS via electronic mail.

Step 21: Update MMIS User Guide found on the "IMEUniversal" drive.

### **Forms/Reports:**

1. Quarterly Case-mix Adjusted Rate Sheet.
2. Provider Rate Letter.
3. Cumulative Rate Listing.
4. Final Rate Summary.
5. Quarterly Budget Projections

### **RFP References:**

Section 6.7.1.2m

### **Interfaces:**

Medicaid Management Information System (MMIS)  
IME Core Unit

### **Attachments:**

Cumulative Rate Listing –

<http://www.ime.state.ia.us/Providers/Forms/NursingFacilityRates.html>